

NOV 0.6 2012

Gerardo C. Rios, Chief Permits Office (AIR-3) U.S. EPA - Region IX 75 Hawthorne St San Francisco, CA 94105

Notice of Final Action - Minor Title V Permit Modification Re:

District Facility # S-1547

Project # 1113986

Dear Mr. Rios:

The Air Pollution Control Officer has modified the Title V permit for Aera Energy, LLC by incorporating Authority to Construct S-1547-722-19. The modification designates the 62.5 MMBtu/hr steam generator as a compliant dormant emissions unit.

Enclosed is the modified Title V permit. The application and proposal were sent to US EPA Region IX on September 17, 2012. No comments were received following the District's preliminary decision on this project.

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Sincerely,

David Warner

Director of Permit Services

DW:SAR

Enclosures

Executive Director/Air Pollution Control Officer



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Brent Winn Aera Energy, LLC PO Box 11164 Bakersfield, CA 93389-1164

Re:

Notice of Final Action - Minor Title V Permit Modification

District Facility # S-1547

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Dear Mr. Winn:

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Enclosures

Executive Director/Air Pollution Control Officer

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-1547-722-21 **EXPIRATION DATE:** 05/31/2016

SECTION: SW01 TOWNSHIP: 29S RANGE: 21E

EQUIPMENT DESCRIPTION:

62.5 MMBTU/HR NATURAL GAS-FIRED STEAM GENERATOR WITH A COEN MODEL #QLN-ULN 3.2 LOW-NOX BURNER AND FLUE GAS RECIRCULATION (FGR) (#1-1C, BELRIDGE)

PERMIT UNIT REQUIREMENTS

- 1. While dormant, the fuel line shall be physically disconnected from the unit. [District Rule 2080] Federally Enforceable Through Title V Permit
- 2. Permittee shall submit written notification to the District upon designating the unit as dormant or active. [District Rule 2080] Federally Enforceable Through Title V Permit
- 3. While dormant, normal source testing shall not be required. [District Rule 2080] Federally Enforceable Through Title V Permit
- 4. Upon recommencing operation of this unit, normal source testing shall resume. [District Rule 2080] Federally Enforceable Through Title V Permit
- 5. Any source testing required by this permit shall be performed within 60 days of recommencing operation of this unit, regardless of whether the unit remains active or is again designated as dormant. [District Rule 2080] Federally Enforceable Through Title V Permit
- 6. Records of all dates and times that this unit is designated as dormant or active, and copies of all corresponding notices to the District, shall be maintained, retained for a period of at least five years, and made available for District inspection upon request. [District Rules 1070 and 2520] Federally Enforceable Through Title V Permit
- 7. Copies of all fuel invoices showing quantity and delivery points of gas delivered and copies of quality terms of gas delivery contracts shall be maintained. The operator shall record daily amount and type(s) of fuel(s) combusted and all dates on which unit is fired on any noncertified fuel and record specific type of noncertified fuel used. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
- 8. The operator shall maintain all records of required monitoring data and support information for inspection at any time for a period of five years. [District Rule 2520, 9.5.2] Federally Enforceable Through Title V Permit
- 9. When complying with sulfur emission limits by fuel analysis or by a combination of source testing and fuel analysis, each fuel source shall be tested weekly for sulfur content and higher heating value. If compliance with the fuel sulfur content limit has been demonstrated for 8 consecutive weeks for a fuel source, then the testing frequency shall be semi-annually. If a semi-annual fuel content source test fails to show compliance, weekly testing shall resume. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
- 10. If fuel analysis is used to demonstrate compliance with conditions of this permit, the fuel higher heating value for each fuel shall be certified by a third party fuel supplier or determined by ASTM D 1826 or D 1945 in conjunction with ASTM D 3588 for gaseous fuels. [District Rule 2520, 9.4.2; 4305, 6.2.1; and 4351, 6.2.1] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
These terms and conditions are part of the Facility-wide Permit to Operate.

Facility Name: AERA ENERGY LLC
Location: HEAVY OIL WESTERN STATIONARY SOURCE, KERN COUNTY, CA
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- 11. The operator shall demonstrate compliance with this unit's sulfur compound exhaust concentration limit(s) using one of the following: test the sulfur content of each fuel source, or determine that the concentration of sulfur compounds in the exhaust does not exceed the concentration limit by a combination of source testing and fuel analysis. [District Rules2520, 9.4.2, 4301, 5.2.1 and 4801.3.1] Federally Enforceable Through Title V Permit
- 12. Compliance with permit conditions in the Title V permit shall be deemed compliance with the requirements of 40 CFR 60, Subpart Dc (except 60.44c(g) and (h) and 60.48c). A permit shield is granted from these requirements. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
- 13. Steam generator shall be operated at no greater than 1,466.7 MMBtu hhv/day heat input. [District Rule 2201] Federally Enforceable Through Title V Permit
- 14. Permittee shall maintain records of higher heating value and daily quantity of natural gas burned in this steam generator. [District Rule 2201] Federally Enforceable Through Title V Permit
- 15. Natural gas fuel sulfur content shall not exceed 0.75 gr S/100 scf. [District Rule 2201] Federally Enforceable Through Title V Permit
- 16. The total gas fired in this unit, on a monthly volume basis, shall be less than 50% PUC-quality natural gas (as defined by Rule 4320). [District Rule 4320] Federally Enforceable Through Title V Permit
- 17. The permittee shall maintain monthly records of the volume of PUC quality natural gas (as defined in Rule 4320) and the total gas fired in this unit. Permittee shall keep monthly records of the percentage by volume of PUC quality gas fired and indicate if the volume of PUC quality gas fired is less than 50%. [District Rule 4320] Federally Enforceable Through Title V Permit
- 18. Fuel H2S, total sulfur, and methane content shall be determined semi-annually using the following test methods H2S: ASTM D6228; total sulfur: ASTM D1072; ASTM D3246, or ASTM D6228; and methane content: ASTM D1945. [District Rule 4320] Federally Enforceable Through Title V Permit
- 19. Emission rates, except during startup, shutdown, and refractory curing, shall not exceed any of the following limits: PM10: 0.005 lb/MMBtu, SOx (as SO2): 0.002 lb/MMBtu, VOC: 0.003 lb/MMBtu, NOx (as NO2): 0.014 lb/MMBtu or 12 ppmv @ 3% O2, or CO: 0.030 lb/MMBtu or 40 ppmv @ 3% O2. [District Rules 2201, 2520, 4201, 4301, 4305, 4306, 4405, 4406, 4320, 4801 and Kern County Rules 424 and 425] Federally Enforceable Through Title V Permit
- 20. Emission rates during startup, shutdown and refractory curing shall not exceed any of the following limits: particulate matter - 10 pounds per hour, or 0.1 grains/dscf calculated to 12% CO2; sulfur - 200 pounds of SO2 per hour, or 2000 ppmv as SO2, or 0.11 pounds sulfur (as S) per MMBtu on average-wide basis for all units in Rule 4406 plan; NO2 -140 pounds per hour or 0.14 pounds per MMBtu. [District Rules 4101, 4102, 4301, 4405, 4406, 4801 and Kern County Rules 424 and 425] Federally Enforceable Through Title V Permit
- 21. Emission rates shall not exceed any of the following limits: PM10: 7.3 lb/day, SOx (as SO2): 2.9 lb/day, VOC: 4.4 lb/day, NOx (as NO2): 52.8 lb/day or 7495 lb/year, or CO: 44.0 lb/day [District Rule 2201] Federally Enforceable Through Title V Permit
- 22. During a "shakedown" period not to exceed 60 calendar days from initial operation of the modifications authorized by this ATC, NOx emission shall not exceed 15 ppmvd NOX @ 3% O2 or 0.018 lb-NOX/MMBtu. The shakedown period shall be concluded prior to the applicable Rule 4320 compliance deadline selected for this unit. Permittee shall maintain a record of the date of initial operation for at least 5 years. [District Rule 4320] Federally Enforceable Through Title V Permit
- 23. The permittee shall monitor and record the stack concentration of NOx, CO, and O2 at least once every month (in which a source test is not performed) using a portable emission monitor that meets District specifications. Monitoring shall not be required if the unit is not in operation, i.e. the unit need not be started solely to perform monitoring. Monitoring shall be performed within 5 days of restarting the unit unless monitoring has been performed within the last month. [District Rules 4305 and 4306] Federally Enforceable Through Title V Permit

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- 24. If either the NOx or CO concentrations corrected to 3% O2, as measured by the portable analyzer, exceed the allowable emissions concentration, the permittee shall return the emissions to within the acceptable range as soon as possible, but no longer than 1 hour of operation after detection. If the portable analyzer readings continue to exceed the allowable emissions concentration after 1 hour of operation after detection, the permittee shall notify the District within the following 1 hour and conduct a certified source test within 60 days of the first exceedance. In lieu of conducting a source test, the permittee may stipulate a violation has occurred, subject to enforcement action. The permittee must then correct the violation, show compliance has been re-established, and resume monitoring procedures. If the deviations are the result of a qualifying breakdown condition pursuant to Rule 1100, the permittee may fully comply with Rule 1100 in lieu of the performing the notification and testing required by this condition. [District Rules 4305 and 4306] Federally Enforceable Through Title V Permit
- 25. Duration of start-up and shutdown (as defined in Rule 4320) shall not exceed 2 hours each per occurrence. Refractory curing period is defined as a maintenance-based reduced-load period of time during which a unit is brought from a shutdown status to staged rates of firing for the sole purpose of curing new refractory lining of the unit, and shall not exceed 30 hours per occurrence. The operator shall maintain records of the duration of start-up, shutdown, and refractory curing periods. [District Rule 4320] Federally Enforceable Through Title V Permit
- 26. All alternate monitoring parameter emission readings shall be taken with the unit operating either at conditions representative of normal operations or conditions specified in the permit-to-operate. The analyzer shall be calibrated, maintained, and operated in accordance with the manufacturer's specifications and recommendations or a protocol approved by the APCO. Emission readings taken shall be averaged over a 15 consecutive-minute period by either taking a cumulative 15 consecutive-minute sample reading or by taking at least five (5) readings, evenly spaced out over the 15 consecutive-minute period. [District Rules 4305 and 4306] Federally Enforceable Through Title V Permit
- 27. The permittee shall maintain records of: (1) the date and time of NOx, CO, and O2 measurements, (2) the O2 concentration in percent and the measured NOx and CO concentrations corrected to 3% O2, (3) make and model of exhaust gas analyzer, (4) exhaust gas analyzer calibration records, and (5) a description of any corrective action taken to maintain the emissions within the acceptable range. [District Rules 4305 and 4306] Federally Enforceable Through Title V Permit
- 28. All emissions measurements shall be made with the unit operating either at conditions representative of normal operations or conditions specified in the Permit to Operate. Unless otherwise specified in the Permit to Operate, no determination of compliance shall be established within two hours after a continuous period in which fuel flow to the unit is shut off for 30 minutes or longer, or within 30 minutes after a re-ignition as defined in Section 3.0. For the purposes of permittee-performed alternate monitoring, emissions measurements may be performed at any time after the unit reaches conditions representative of normal operation. [District Rules 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
- 29. For each steam generator site downstream of H2S scavenger chemical injection points, permittee shall monitor sulfur content of the gas prior to incineration in affected steam generators on a daily basis utilizing Draeger tubes calibrated for existing sulfur species or other District-approved fuel sulfur detection method(s) or device(s). If compliance with fuel sulfur content limit(s) for the affected steam generators is demonstrated for 5 consecutive days, then the monitoring frequency shall be weekly. [District Rule 2201] Federally Enforceable Through Title V Permit
- 30. Compliance with fuel sulfur limit(s) can be demonstrated either by monitoring sulfur content at location(s) after all fuel sources are combined prior to incineration, or by monitoring the sulfur content and volume of each fuel source and performing mass balance calculations. Records of monitoring locations, detected sulfur concentrations, and mass balance calculations, if necessary, shall be maintained and kept onsite and made readily available for District inspection upon request. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
- 31. Source testing to measure natural gas-combustion NOx and CO emissions from this unit shall be conducted at least once every twelve (12) months (no more than 30 days before or after the required annual source test date). After demonstrating compliance on two (2) consecutive annual source tests, the unit shall be tested not less than once every thirty-six (36) months (no more than 30 days before or after the required 36-month source test date). If the result of the 36-month source test demonstrates that the unit does not meet the applicable emission limits, the source testing frequency shall revert to at least once every twelve (12) months. [District Rules 4305 and 4306] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE
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Facility Name: AERA ENERGY LLC Location: HEAVY OIL WESTERN STATIONARY SOURCE, KERN COUNTY, CA S-1547-722-21: Nov 5 2012 1:18PM - ROEDERS

- 32. Source testing to measure NOx and CO emissions from this unit shall be conducted within 60 days of initial operation under this ATC. [District Rules 2201, 4305, 4306 and 4320] Federally Enforceable Through Title V Permit
- 33. The source test plan shall identify which basis (ppmv or lb/MMBtu) will be used to demonstrate compliance. [District Rules 4305 and 4306] Federally Enforceable Through Title V Permit
- 34. The District must be notified at least 30 days prior to any compliance source test, and a source test plan must be submitted for approval at least 15 days prior to testing. The results of each source test shall be submitted to the District within 60 days thereafter. [District Rule 1081] Federally Enforceable Through Title V Permit
- 35. The following test methods shall be used: NOx (ppmv) EPA Method 7E or ARB Method 100, NOx (lb/MMBtu) -EPA Method 19, CO (ppmv) - EPA Method 10 or 10B or ARB Method 100, stack gas oxygen - EPA Method 3 or 3A or ARB Method 100, SOx (lb/MMBtu) - ARB Method 8 or 100 or EPA Method 6, 6B or 8 or fuel gas sulfur content analysis and EPA Method 19, fuel gas sulfur content - ASTM D1072, D4468, D3246, D3246, D4084 or double GC for H2S and mercaptans performed in laboratory, fuel gas hhy - ASTM D1826 or D1945 in conjunction with ASTM D3588. [District Rule 1081, and 4305, 6.2] Federally Enforceable Through Title V Permit
- 36. For emissions source testing, the arithmetic average of three 30-consecutive-minute test runs shall apply. If two of three runs are above an applicable limit the test cannot be used to demonstrate compliance with an applicable limit. [District Rules 4305 and 4306] Federally Enforceable Through Title V Permit
- 37. All records shall be maintained for a minimum of five (5) years, and shall be made available for District inspection upon request. [District Rules 1070, 4305, and 4306] Federally Enforceable Through Title V Permit
- 38. Formerly S-1511-47